Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

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> DA 17-474 May 16, 2017

# DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF SOUTHERN LIGHT, LLC TO UNITI GROUP INC.

#### STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 17-99

Comments Due: May 30, 2017 Reply Comments Due: June 6, 2017

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by SLF Holdings, LLC, (SLF Holdings), Southern Light, LLC (Southern Light), and Uniti Group Inc. (f/k/a Communications Sales & Leasing, Inc.) (Uniti Group) (collectively Applicants), pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.03 of the Commission's rules, requesting approval for the transfer control of Southern Light to Uniti Group.<sup>1</sup>

SLF Holdings, an Alabama limited liability company, is the parent company of Southern Light and does not itself provide telecommunications services. Southern Light, an Alabama limited liability company, owns a network of fiber optic cables in the states of Alabama, Florida, Georgia, Mississippi and Louisiana, and is authorized to provide competitive telecommunications services in each of those states, in addition to Kentucky.

Uniti Group, a publically traded Maryland corporation, is a real estate investment trust that does not provide telecommunications services itself but engages in the acquisition and construction of infrastructure in the communications industry. Applicants state that no other person or entity, directly or indirectly, will have a 10 percent or greater post-transaction interest in Southern Light. Applicants further

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<sup>&</sup>lt;sup>1</sup> See 47 U.S.C. § 214; 47 CFR § 63.03. Applicants state that they are also filing an application for the transfer of authorizations associated with wireless services. On May 9, 2017 and May 12, 2017, Applicants filed supplements to their domestic Section 214 application. Any action on this domestic Section 214 application is without prejudice to Commission action on other related, pending applications. The Commission recently granted a domestic Section 214 application seeking consent for the transfer of Control of Hunt Telecommunications, LLC (Hunt), Benchmark Communications, LLC (Benchmark), and Nexus Systems, Inc. (Nexus) to Uniti Group Inc. See Notice of Domestic Section 214 Authorization Granted, WC Docket No. 17-81, Public Notice, DA 17-464 (WCB May 15, 2017). On April 24, 2017, the Commission also granted a related application filed by Hunt, Benchmark, and Crescent Affiliates, Inc. (Crescent) seeking consent for an unauthorized transfer of control that occurred in January 2014 when Crescent acquired 50 percent of Hunt's membership interests in Benchmark without seeking prior Commission approval. See Notice of Domestic Section 214 Authorization Granted, WC Docket No. 17-67, Public Notice, DA 17-384 (WCB Apr. 24, 2017).

state that Uniti Group wholly owns the following entities: Talk America Services, LLC, a Delaware limited liability company that provides competitive telecommunications services in all states and the District of Columbia, except Alaska, California, and Hawaii; Tower Cloud, Inc., a Delaware corporation that provides cellular site backhaul and other telecommunications services in Alabama, Florida, Georgia, North Carolina, and South Carolina; and Uniti Fiber LLC, a Delaware limited liability company providing cellular site backhaul and other services in Ohio and Wisconsin. Uniti Fiber LLC in turn owns PEG Bandwidth and Contact Network, LLC, which provide competitive telecommunications services in multiple states. Applicants contend that Uniti and Southern Light have largely complimentary fiber networks, however, they state that their service areas overlap in some areas of Florida, Louisiana, Mississippi, Alabama, and Georgia.<sup>2</sup>

Pursuant to the terms of the proposed transfer of control, Uniti Group will acquire the membership interests, and therefore indirect control, of Southern Light. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under Section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>3</sup>

Domestic Section 214 Application Filed for the Transfer of Control of Southern Light, LLC to Uniti Group Inc., WC Docket No. 17-99 (filed Apr. 13, 2017).

# **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to Section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before May 30, 2017**, and reply comments **on or before June 6, 2017**. Pursuant to Section 63.52 of the Commission's rules, 47 CFR § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to Section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents using the Commission's Electronic Comment Filing System (ECFS): http://apps.fcc.gov/ecfs/.

## In addition, e-mail one copy of each pleading to each of the following:

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 2) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov;

<sup>&</sup>lt;sup>2</sup> Applicants assert there is "minimal overlap" in these states between Southern Light, Uniti, and Hunt and provide specific information on such overlaps between these entities in the May 9, 2017 supplement. In their May 12, 2017 supplement, Applicants state that neither Benchmark nor Nexus own any fiber facilities, thus, there are no fiber overlaps between them and Southern Light or Uniti. *See supra* n. 1.

<sup>&</sup>lt;sup>3</sup> 47 CFR § 63.03(b)(2)(i).

## 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov;

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The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's ex parte rules.

For further information, please contact Tracey Wilson at (202) 418-1394 or Gregory Kwan at (202) 418-1191.